

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3840
ANSWERED ON:17.08.2001
FORMULA FOR ALLOCATION OF PLAN REVENUE
ALE NARENDRA

Will the Minister of FINANCE be pleased to state:

- (a) the policy of the Government for allocation of plan revenue deficit grants to the States;
- (b) the details of allocation plan revenue deficit grants given during 1998-99 to 2001-2002, State-wise; and
- (c) the measures taken to increase the plan resources and to provide financial assistance?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATH) :

(a) and (b) Government of India is guided by the recommendations of the Finance Commissions in the matter of Plan Revenue Deficit grants. Neither the Tenth Finance Commission, nor the Eleventh Finance Commission have recommended Plan Revenue Deficit grant for any State,

(c) It is for the respective State Governments to take or initiate steps to increase their own resources within the framework of the Constitution. The Government of India, on its part, has increased the Central Assistance to States/UTs from Rs. 36824 crores in 2000-01 (BE) to Rs. 40644 crores in 2001-02 (BE) and has provided higher devolution to States in terms of the Eleventh Finance Commission recommendation.